

**Minutes of the
Regular Board Meeting
(Via Audio Teleconference)
Of the Pittsburgh Water and Sewer Authority
Held on February 26, 2021**

This Regular Board Meeting of The Pittsburgh Water and Sewer Authority, having been duly advertised in accordance with the Sunshine Act, was called to order on Friday, February 26, 2021, at approximately 10:00 a.m., via audio teleconference.

ROLL CALL - All Members of the Board were present.

Participants from PWSA: Will Pickering, Jennifer Presutti, Debby Gibson, Raquel Ludinich, Barry King, Alex Sciulli, William McFaddin, Edward Barca, Faith Wydra, Rick Obermeier and Rebecca Zito.

Also present were Solicitor Mark Nowak and Danny Cerrone of Clark Hill.

There were an additional 41 confirmed participants who were on the call, in listening mode.

PUBLIC COMMENT – Brenda Smith of Squirrel Hill, Madeline Weiss of Regent Square, and John Stephen of Aspinwall all had comments regarding the implementation of the Stormwater Fee. Ziggy Edwards of Four Mile Run had comments and several questions for the Board regarding the Four Mile Run Stormwater Project. The questions were requested to be submitted in writing.

EXECUTIVE SESSIONS

An Executive Session was held prior to the Board Meeting, wherein legal and personnel matters were discussed. No votes were taken.

APPROVAL OF THE MINUTES

Chair Leger entertained a motion to approve the Minutes from the Regular Board Meeting held on January 22, 2021. Dr. Murrell so moved, and Ms. Strassburger seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Edward Barca, Director of Finance, explained the details of this report.

Year-to-date receipts are down 13.9% or approximately \$2.3 million. This decline is a result of the ongoing COVID-19 pandemic. The finance report only includes data for one month. In addition, the finance report is comparing receipts to what was collected last January, which did not have the impact of COVID-19. Furthermore, the rate increase that went into effect towards the end of last month will help to boost receipts through the remainder of 2021.

Year-to-date capital expenses through January 31, 2021 are up 60% or approximately \$1.9 million when compared to the prior year. This increased level of investment is led by the water main distribution projects, which includes the replacement of lead service lines.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report. February 21st through the 27th is National Engineers Week. I want to offer our thanks and recognition to all of the dedicated, diligent, and talented Engineers, Technicians, Inspectors and Support Staff, as well as the all of the Engineers supporting the Authority.

We have successfully filled the Senior Group Manager Position for Stormwater, completing the full permanent Engineering Management Team. On January 19th, Anthony (Tony) Igwe joined PWSA, bringing over 28 years of critical wet-weather planning and control experience to our Team. Tony will help PWSA tackle the Board-Approved 5-Year Capital Program while addressing the increasing regulatory opportunities and coordination with City agencies, including the upcoming comprehensive Stormwater Management Master Planning Program, new Stormwater Fee, Consent Decree, MS4 obligations, and finalizing a comprehensive Stormwater Agreement with the City of Pittsburgh. PWSA received the ASCE Pittsburgh Section's 2020 Sustainability Award for the Wightman Park Stormwater Improvement Project. This Project was selected based on the integration of creative stormwater solutions into the redesign of the park, including the terraced rain gardens that hold 52,000 gallons of stormwater and an underground water retention tank system with more than 300,000 gallons of capacity. This was constructed below the new baseball field, which holds runoff that would otherwise flood the basements of surrounding residents.

Thanks to Procurement Team for supporting Engineering's efforts by getting bids out. The Bus Rapid Transit (BRT) Water Distribution Improvements Project bids were received on Tuesday, February 23rd. With respect to our Small Diameter Water Main Replacement Program, as of February 24, 2021, Contractors have completed approximately 70% of the water main and over 52% of the lead service line replacements under the current 2019 and 2020 SDWMR Program Contracts. Finally, work continues on track for our Water Supply and Storage Reliability Plan Projects, including the Aspinwall Pump Station and Bruecken Pump Station Improvement Projects, and the Aspinwall WTP Clearwell Bypass Project.

Mr. King: The MFP was successfully brought back online and is in service.

Mr. Leger: I wanted to state that when I came on the Board, the Engineering staff was outsourced. With the help of Bob Weimar, we now have a full complement of in-house Engineering staff. Congratulations Barry and to your entire team on Engineers Week.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, presented the details of this report. I also want to extend a happy Engineers Week. Beginning mid-January, we have new rates that are in place. We have a number of new offerings. Our bill discount customers receive the first 1,000 gallons of their usage for free. That actually produces a discount from our 2020 rate for any customer who is enrolled in that program and that uses up to 5,000 gallons per month, which is above average. The average residential usage is around 3,000 gallons per month. We also have our PGH2o Cares Team. This is a team of three within our Customer Service Department solely focused on outreach to our

customers in an effort to enroll them in either our bill discount program or other assistance programs. This team will be dedicated to conducting that engagement and working with our community partners. Additional changes in our assistance program include changing the federal poverty level for the Winter Moratorium. Right now, we are not terminating any residential customers due to non-payment, but we did increase for 2021 that income level to 300% of the poverty level. On the assistance side, I want to encourage any customer who is having difficulty in keeping up with their bills to contact us. We have payment plans that are designed to be flexible. For those who are eligible, there is a payment plan that will actually forgive some of that past-due debt with an amount of \$15 per month with every timely payment. That is a new offering this year. Our Customer Service phone number is (412) 255-2423. We are also partnering with Dollar Energy Fund to administer those programs, so we may transfer you to them. However, contact our main Customer Service Line to start.

I would like to recognize our Engineering and Construction Team, as well as our Water Production Team at our drinking water Treatment Plant and our Field Operations Staff for finally resolving a leak that we have experienced for almost a year. The 60-inch water main that runs from our Lanpher Reservoir that is located in Shaler at high elevation carries that water from the reservoir to about one-third of our drinking water customers, primarily on the North Side and a portion of Downtown. As that water main travels from the reservoir to the City of Pittsburgh, it crosses Route 28 in Millvale. This was a very tricky leak in coordinating with PENNDOT that is now completed. I also want to recognize employees who are continuing to work out in the field during the pandemic and through a miserable stretch of weather. We have had some very tricky water main breaks, including a large one impacting the Troy Hill neighborhood over the weekend. Again, this is another example of our teams responding to the call of duty. We have within the last few weeks kicked off our engagement with our corporate monitor. This is an expert third party that has been working very closely with our water treatment plant staff. That relationship will be ongoing for the next several years. We do have every expectation that we are going to improve based on their feedback. PWSA is in the process of starting our own consent decree with the EPA and the Department of Justice for combined sewer overflows. ALCOSAN currently has a consent decree as it relates to combined sewer overflows. We had an initial meeting that went very well and was basically informational in nature. I did provide an update to the Pennsylvania Public Utility Commission and discussed the past year of performance and introduced the new leadership team to the PUC staff. We had approximately 60 PUC staff attend that session, and it went very well.

Safety is a priority initiative for our leadership team. We have hired a new full-time Senior Health and Safety Manager, Kasey Stewart. We are everywhere at all hours and for us to have no reportable safety incidents in the month of January is an accomplishment. In terms of new hires, Barry mentioned the addition of Tony on the Engineering and Construction Staff. I am also pleased to announce we have a new Director of Human Resources, Logan Carmichael. Logan has experience from working at the Allegheny County Airport Authority. He is joining a team of HR professionals that I am very confident will take us to the next level with respect to a number of initiatives, including diversity.

Mr. Leger: I just want to implore the public to reach out to PWSA if you are in need of assistance with your bill.

RESOLUTIONS

No. 9 of 2021	Appointing the Ethics Officer for the Pittsburgh Water and Sewer Authority
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Requesting Board approval of Danny Cerrone to act as the Ethics Officer for the Authority per the PWSA Ethics Handbook. Danny will be a resource to staff to ask questions related to ethics or to confidentially report any concerns. Danny will also be tasked with updating the PWSA Ethics Handbook and will provide annual ethics training for all staff.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Dr. Murrell seconded the motion.

Mr. Leger: Is this appointing someone or authorizing you to appoint someone?

Mr. Pickering: This is an official designation. Danny Cerrone is a Clark Hill consultant attorney to the Authority. He has worked with us for a number of years. This will designate him as the official Ethics Officer for the Authority, which is required in the PWSA Ethics Handbook.

No further discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 10 of 2021	Approving the Financial Assistance Application to be Submitted to the Pennsylvania Infrastructure Investment Authority (PENNVEST) for the 2021 Small Diameter Water Main Replacement
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Funding Requested: PENNVEST \$38,550,000

PWSA will be submitting a Financial Assistance application to PENNVEST for the purpose of funding the 2021 Small Diameter Water Main Replacement Project. The request for funding is designed to fund the project for the next two years for a total cost of approximately \$38,550,000. It is anticipated that any work related to Lead Line Replacement under the 2021 Small Diameter Water Main Replacement will be in the form of a grant, and the remaining funding from PENNVEST will be in the form of a loan with an interest rate of approximately 1%. The application will be presented at the April 21, 2021 PENNVEST Board meeting, and the final determination will be provided to PWSA in May of 2021.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Mr. Domach seconded the motion.

Mr. Turner: Approximately how much more would it cost us if we had to use our own bond funds rather than the low interest PENNVEST Loan?

Mr. Barca: It will save the Authority approximately \$666,000 every year, which is a substantial savings especially when you compound that with a 20-year life of the loan or 30-year life of the bonds we have outstanding otherwise.

No further discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 11 of 2021

Authorizing Pittsburgh Water and Sewer Authority Management to Open and Maintain a Brokerage Account with PNC Capital Markets LLC for the Purpose of Investing Operating and Revenue Funds

All funds invested will follow the objectives included within the Investment Policy that was approved and adopted by the PWSA Board of Directors on October 25, 2019. In priority order, the objectives of the Policy are legality, safety, liquidity, and yield. The Policy also requires multiple approvers when investments are bought and sold to ensure the objectives of the Policy are met.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Leber seconded the motion.

Mr. Turner: Can you explain how PNC was selected?

Mr. Barca: Selection was based on the functionality of PNC's investment portal, the availability of the funds we could invest, and the fact that they are our current bank depository. We are not obligated to stick with PNC. We could open up other relationships for similar services.

Mr. Domach: I see mutual funds and commercial paper both being mentioned. Is it anticipated PWSA will make direct investments in specific commercial papers, or will this be done exclusively through funds?

Mr. Barca: It really depends on the market at that time. If we go down the commercial paper route, it is probably going to be a direct investment. Having said that, we are really looking at U.S.-backed securities and funds in which to invest--something backed by the U.S. Treasury market or money market funds.

Mr. Turner: If you are using money market funds, are they funds that invest in government securities?

Mr. Barca: Yes. The objective here is safety first--a safe investment on which we can obtain some yield.

No further discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 12 of 2021 Approving the Award of Option 1 of the Locating and Identifying Underground Facilities Contract, Project Number PWSA122, to Allegheny Utility Solutions LLC

Funding: Operating Budget \$544,000.00

This contract is for managing and marking all PWSA water and sewer facilities per the PA 1 Call standards.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Strassburger seconded the motion.

No discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 13 of 2021 Approving Option 2 for PWSA103 – Security Officer Services to St. Moritz Security Services

Funding: WTP Operating Budget \$899,346.72

With the addition of the new Orthophosphate Buildings and systems in Highland Park, it has been deemed necessary to have two security officers to patrol the grounds. This addition fulfills DEP permit requirements to have 24/7 coverage at the Highland Park site. Staff is working to internalize this security force by hiring a Security Manager and PWSA employed guards, which could result in significant savings for the Authority.

Chair Leger entertained a motion to approve for discussion. Ms. Leber so moved, and Dr. Murrell seconded the motion.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 14 of 2021 Approving the Award of Option Year Two of a Professional Services Agreement for the CSO Flow Monitoring Program to ADS Environmental Services

Funding: Operating Budget \$786,372.00

This program consists of the continuation of the operation, maintenance, and data reporting of the CSO flow monitor and rain gauge network. The

program supports regulatory reporting, system performance evaluation, and model calibration efforts.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Mr. Domach seconded the motion.

No discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 15 of 2021

Approving a Change Order of a Capital Contract for Corrosion Control Chemical Storage and Feed Systems to Total Equipment Company, Inc.

Funding: Capital Budget \$100,188.00

This change order is for additional costs associated with Owner-directed changes consisting of Owner-requested modifications to the Orthophosphate Chemical Storage at the Aspinwall Pump Station and Bruecken Pump Station, to convert from soft walled temporary poly totes to permanent double-wall storage tanks with exterior fill stations and associated structural improvements (interior and exterior). This modification was requested by PWSA Operations to reduce safety concerns associated with handling and transporting the chemical during refilling and replacing totes at each of the pump stations.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Leber seconded the motion.

No discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 16 of 2021

Approving the Award of a Capital Contract for Construction of 31st Ward Sewer Rehabilitation and Separation Project – Nollhill Street to Independent Enterprises, Inc.

Funding: Capital Budget \$308,987.65

Nollhill Street consists of the reconstruction of the existing storm sewer system, including the disconnection of the inlet from the separate sewer system at the intersection of Nollhill Street and Fredanna Street in the Lincoln Place Neighborhood of the 31st Ward (M-42 Watershed). Work includes the installation of inlets, manholes and storm sewers on Nollhill Street and construction of a temporary gravel road for access during construction.

Chair Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Strassburger seconded the motion.

Mr. Turner: Independent Enterprises qualifies as a Veteran's Business. They do not have any minority or women's business participation. I am wondering if they should be encouraged to do so.

Mr. King: The way the current policy is written, this would be a challenge to encourage or enforce under it. They currently qualify for 100% of the Veteran's, and they meet the policy criteria based on that.

No further discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 17 of 2021 Approving the Award of a Capital Contract for Construction of 2020 Small Diameter Sewer Rehabilitation – Contract 1 to Insituform Technologies, LLC

Funding: Capital Budget \$3,791,034.00

This project is in the Brighton Heights, Hazelwood, and South Side Slopes Neighborhoods of the City of Pittsburgh. The project purpose is to perform proactive, trenchless rehabilitation of sewer mains of 36-inch diameter and less to restore structural integrity, reduce root intrusion, and reduce infiltration and inflow through the installation of cured-in-place pipe (CIPP) liners. The scope of work also includes excavated point repairs and manhole repairs as required, and pre/post construction closed-circuit televising (CCTV) inspection.

Chair Leger entertained a motion to approve for discussion. Ms. Strassburger so moved, and Mr. Domach seconded the motion.

No discussion held. The Board unanimously approved, and the Resolution was adopted.

No. 18 of 2021 Approving the Award of a Capital Contract for Construction of 2021 Valve Replacement to Independent Enterprises, Inc.

Funding: Capital Budget Cumulative \$1,280,000.00

This annual Indefinite Delivery/Indefinite Quality (IDIQ) contract includes the replacement of broken and aging fire hydrants, and small and large diameter valves throughout the PWSA water supply system. This contract also includes the necessary related restoration services, including the surface restoration of sidewalks and streets, and restoration of landscaping for all work areas addressed under this contract.

Chair Leger entertained a motion to approve for discussion. Ms. Leber so moved, and Ms. Strassburger seconded the motion.

No discussion held. The Board unanimously approved, and the Resolution was adopted.

ADJOURNMENT OF THE MONTHLY BOARD MEETING

Chair Leger entertained a motion to adjourn the Board Meeting. Dr. Murrell so moved, and Mr. Domach seconded the motion.

The next scheduled Board Meeting will take place on Friday, March 26, 2021.

Jim Turner

James Turner, Secretary